

Star BUSINESS

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Promotion of 17 bank officials as GM still undecided

STAR BUSINESS REPORT

Although the posts of 17 general managers (GM) in different government banks and financial institutions are lying vacant for a long time, the process of promotion of some bank officials to these posts is yet to be finalised by the government.

Sources said the immediate past four-party alliance government deprived the officials, who were on the promotion panel list prepared by the Bangladesh Bank, of their due elevation on political consideration.

On assumption of office by the present caretaker government, the finance ministry sent a recommendation to the Office of the Chief Adviser for promotion of the bank officials. But the recommendation has been sent back to the ministry without showing any reason.

Talking to the Daily Star one of the officials claiming to be deprived said the present government has already promoted some of the officials deprived, but it should immediately complete the promotion process, which, he hoped, would infuse dynamism into the banking sector.

Meanwhile, the Ministry of Finance is learnt to have decided to constitute a committee to consider promotion of around 200 high officials of the state-owned banks.

The deprived officials, however, sought immediate action by such a committee to end the impasse in their promotion.

The officials concerned are Tapan Kumar Ghos, Mustak Ahmed and Abu Ahmed Jafar Iqbal of Sonali Bank, Nur Mohammad of Janata Bank, Jebun Nahar and Masud Ahmed Khan of Agrani Bank, Abul Hasnat, Nurul Amin and Rafizuddin of Rupali Bank, Masud Ahmed Khan of Bangladesh Krishi Bank, Debidas of Kormosongsthan Bank and Dr Provash Chandra Roy of Rajshahi Krishi Unnayan Bank.

Dhaka Mercantile Co-operative Bank chairman reelected



Chairman

Group Captain (ret'd) Abu Zafar Chowdhury was reelected unopposed chairman of The Dhaka Mercantile Co-operative Bank Ltd for three years at a meeting in Dhaka on Friday, says a press release.

Belayet Hossain has also been reelected unopposed vice-chairman of the co-operative bank.

Zafar, a freedom fighter, was a former director of Civil Aviation Authority of Bangladesh (CAAB).

SM Nasimul Haque, a freedom fighter and also a former Biman Bangladesh Airlines captain, was also elected director of the co-operative bank. Nasim is also a former president of Bangladesh Airlines Pilots' Association (BAPA).

Japan, Thailand expand currency swap pact

AFP, Tokyo

Japan said Tuesday it had doubled the amount of foreign currency reserves it makes available to Thailand to shield against a possible financial crisis.

Under the bilateral arrangement, Japan will now offer up to six billion dollars from its foreign exchange reserves to Thailand in the event of a currency crisis, a finance ministry statement said.

Previously it had made up to three billion dollars available in exchange for Thai baht.

Thailand for its part will continue to provide up to three billion dollars to Japan in exchange for Japanese yen if needed.

The pact is part of the Chiang Mai Initiative of bilateral currency swaps set up by Southeast Asian nations plus Japan, China and South Korea in May 2000 as part of efforts to prevent a repeat of the 1997 East Asian financial crisis.

BTRC won't issue licences to new mobile phone companies

'Mobile South Asia' confce kicks off

STAR BUSINESS REPORT

B T R C (Bangladesh Telecommunication Regulatory Commission) will not issue any licence to new mobile phone operators in the country, telecoms watchdog chairman said yesterday.

Talking to reporters after the inaugural function of the two-day annual 'Mobile South Asia' conference in Dhaka, Manzurul Alam said six operators are enough for a market like Bangladesh.

He also said the six operators in the country are facing stiff competitions.

Earlier, as the two-day fourth annual 'Mobile South Asia' conference began, speakers called on the South Asian GSM operators to ensure quality services for better telecommunications and data transfer.

The operators were urged to maintain other operational codes to provide secured and sophisticated services to subscribers.

Speakers at the conference outlined the growth opportunities in the South Asian region, particularly in the countries such as Bangladesh, India, Sri Lanka and Pakistan.

The BTRC chairman at the conference said GSM operators



PHOTO: STAR

BTRC (Bangladesh Telecommunication Regulatory Commission) Chairman Manzurul Alam speaks at the inaugural function of a two-day annual 'Mobile South Asia' conference in Dhaka yesterday.

should work together in providing technological support to combat crimes in the region.

Criminals and terrorists are using new technologies, he added.

Organised with the full support of The South Asian GSM Operators Forum, Mobile South Asia 2007 is an excellent opportunity to turn the region's focus to Bangladesh and the business potential available in Bangladesh's telecom market, the speakers also said.

A total of 152 telecoms experts and officials from South Asian countries joined the conference at Dhaka Sheraton Hotel.

During the two-day event, different sessions will take place highlighting the key issues of telecoms operations.

Mehboob Chowdhury, chairman of South Asia GSM Forum, Jeanine Vos, regulatory manager of GSM Association UK, S Nasrul Karim A. Ghaznavi, member (Finance) of Pakistan Telecommunication Authority, Min Prasad Aryal, assistant manager (Engineering Section) of Nepal Telecommunication Authority, and Samir Satchu, head of government affairs of Roshan Afghanistan, also spoke.

Malaysia set to be oil hub

XINHUA, Kuala Lumpur

Malaysia is to become a hub for oil trading, futures and securitization involving Islamic oil-structured financial derivatives in East Asia after a 7 billion US dollars Trans-Peninsular Oil Pipeline (TranPen) project kicks off, local media reported yesterday.

With its storage facilities, the project will create a new and hitherto non-existent concept in East Asian oil market: commercial crude oil-in-place, said the New Straits Times.

"Producers will be able to store oil at TransPen, ranging from 30 to 90 days, paid by the net savings in logistics cost when the pipeline is fully operational," an industry observer said.

"This creates a tremendous potential. Oil, thus stored, becomes assets which can be monetised or securitized, creating liquidity in the East Asia oil market," the observer added.

When compared to the current 12 million barrels per day (bpd) of oil transiting through the Straits of Malacca and growing to about 20 million bpd by 2020, the 30 days of storage in TransPen will be sufficient to justify an oil exchange for East Asia in Malaysia, he said.

Noting that Malaysia Bank Negara and a Saudi bank have signed an accord on commodity Murabahah, the observer said middle Eastern and Malaysian banks can capitalise from this arrangement to help realise the proposed oil-structured derivatives, since oil is a viable financial asset to facilitate liquidity management and investment.

Being strategically located in the East Asian market, Malaysia is also in the time zone between the major consumers of Northeast Asia and the major producers of the Middle East.

"Thus, the Malaysian oil exchange will be able to function between the working hours of the 3 time zones, a major advantage when compared to London's IPE or New York's NYMEX," the observer said.

Warid Telecom launches int'l roaming services

In 60 days of its commercial operations, Warid Telecom International Ltd in Bangladesh has successfully launched international roaming services with 60 operators across 30 countries, says a press release.

From now on subscribers can roam with Warid network and stay connected with their near and dear ones while visiting 30 countries switching to the unparallel international roaming services of Warid Telecom.

Warid signed up with as many as 34 international operators in June this year alone. More countries are coming under the net shortly.

Square launches programme to promote 'Radhuni' spices

STAR BUSINESS REPORT

Radhuni, a powdered spices brand of Square Consumer Products Ltd, yesterday launched a promotional programme styled 'Cholo Radhuni Ghor Sajai'.

Under the programme, Radhuni will give away prizes like freeze, microwave oven, pressure cooker, blender, fry pan and knife set to its consumers through a competition, a press conference in Dhaka yesterday was told.

Consumers will get a seal titled 'Cholo Radhuni Ghor Sajai' on the pack on every purchase of 200gm Radhuni powder chilli, turmeric or coriander. They have to send the seal back to the company along with their answer for 'why do you use Radhuni powdered spice?'

A total of five customers will be rewarded every week until the programme ends in September this year.

Ashfaqur Rahman, sales manager of the company, was present in the press conference.

Correction

The headline of a news item, 'GP subscription base to reach 50m in 2 years', published on this page yesterday was wrong when it comes to the number of subscribers of an individual mobile phone operator. Actually, the headline should be read as 'Mobile phone subscription base to reach 50m in 2 years'. We regret the inadvertent mistake.

Adviser decries insurers' 'unethical' practices

Insurers seek proper guideline

STAR BUSINESS REPORT

Finance and Planning Adviser Mirza Azizul Islam has blamed the insurance companies for practicing 'unethical means' to attract more business and dodge tax.

"Don't shift all burdens to the government," he said and asked the stakeholders of the insurance companies to become more transparent through practicing corporate governance.

Mentioning the inferior practice of corporate governance in the sector, the adviser said insurance companies provide inaccurate information on their financial statements in the name of management costs, which is a reversal of the real picture.

And by practicing such things they evade taxes, he said.

The adviser made the comments yesterday when members of the Bangladesh Insurance Association (BIA) at a workshop in Dhaka demanded reduction in corporate tax of the sector.

The BIA organised the workshop on 'Contribution of Insurance to Bangladesh Economy' at a city

hotel.

Dwelling on alleged delayed claims settlement practice by the insurance companies, he asked the insurers, "Why does it need external pressure, which you should have done morally and legally?"

There are reports that the insurance companies resolved 80 per cent of unsettled claims in the last three months, the rest of which remained unsettled for more than three years.

The adviser said insurance can help the economy. But even though, the contribution of 60 insurance companies to the economy is very small.

Responding to the insurers' demands, the adviser said the revised insurance act, 1973 would be placed to the cabinet in a very short time. After the amendment, the insurance sector will go under supervision of the Ministry of Finance instead of the Ministry of Commerce, he told the workshop.

Abdul Matlub Ahmad, the BIA executive body member, presented the keynote paper at the workshop.

He hoped that the insurance sector-- both life and general-- will

be able to generate a premium income of Tk10,000 crore and make an investment of around Tk12,000 crore and its contribution to the national exchequer will be around Tk5,000 crore in the next five years.

Mahbubur Rahman, chairman of Eastland Insurance Co Ltd, stressed the need for a clear guideline for the insurance sector.

He said in absence of a proper guideline the insurance companies compete each other by offering extra incentives to the customers.

Mahfuzul Haque, chief controller of the Department of Insurance, said that his department surveyed all private insurance companies and found some anomalies.

He suggested evaluation of the insurance company activities by credit rating companies so that the sector can become more transparent to customers as well as to the government.

Nizam Uddin Ahmed, BIA vice chairman, Nasir A Choudhury, former chairman, A B M Nurul Haque, member of executive committee of BIA, were also present at the workshop.



PHOTO: BIA

Finance and Planning Adviser Mirza Azizul Islam speaks at a workshop organised by Bangladesh Insurance Association in Dhaka yesterday.

United Airways starts journey

Two fights daily on two routes

STAR BUSINESS REPORT

United Airways (Bangladesh) Ltd, a private sector airline founded by non-resident Bangladeshis, went into operation of its domestic passenger flights yesterday.

On the first day, two flights on Dhaka-Sylhet-Dhaka and Dhaka-Chittagong-Dhaka routes were operated with a Canadian made 37-seat Dash-8, which was bought without any bank loan.

The airline will initially run two passenger flights every day on both the routes. "We will go for three passenger flights every day on the routes in a very short time," Tasbirul Ahmed Choudhury, chairman and managing director of United Airways, told journalists at the airline's Sylhet office.

Another Dash-8 aircraft will arrive in Dhaka next month, while two jet aircraft will be added to the fleet by the year-end, he said, adding that they eye international flight operations early next year.

The non-resident Bangladeshis (NRBs), mainly from the UK, have teamed up through forming a public limited company to create an airline in Bangladesh. "Presently, there are

more than 600 shareholders in the company and the number is increasing everyday," Choudhury said.

The United will manage a Tk 2,000 crore fund in the next five years to invest in the aviation industry, he said.

The aviation market in the country shows around 8 per cent growth per annum, he said, adding "the market is in need of new airline."

The United Airways is optimistic about being the market leader in domestic operations by the next couple of years.

"Our aim is to provide better customer services with timely departure and safe air travel," the airline chief said.

Earlier, Tasbirul Ahmed Choudhury formally inaugurated the flight at Zia International Airport in Dhaka.

Focusing on some salient features of Dash-8, Manzurul Haque, chief pilot of the United Airways, said among the medium sized aircraft, Dash-8 is a new generation aircraft being used across the globe, including USA and EU.

India-led consortium wins bid to manage Istanbul airport

AFP, New Delhi

A consortium led by India's GMR Infrastructure won a 2.7-billion-dollar (1.93 billion euro) deal on Tuesday to manage the second airport in Turkey's biggest city Istanbul.

The operating consortium will take over from the Turkish government as manager of the domestic and international terminals at Sabiha Gokcen International Airport under a 20-year concession, GMR said in a statement.

The project also involves the construction of a new international terminal, it added.

The consortium's successful bid trumped four other international airport operators, including Germany's Fraport and Chicago Airport.

The group, led by GMR with a 40 per cent stake, is also made up of Turkey's Limak construction major, with 40 per cent, and Malaysia Airports, with 20 per cent.

Danone bids \$16.8b for Dutch baby food maker

AP, Paris

Groupe Danone SA, the maker of Dannon yogurt and Evian waters, is strengthening its baby food business with a bid Monday to buy Royal Numico NV for \$16.8 billion.

The addition of Numico would make Danone one of the world's largest players in the fast-growing \$24 billion baby food industry, which experts expect to grow 25 per cent by 2010.

"With this project, we are designing a new Groupe Danone, enhancing dramatically its growth profile and its growth potential for years to come," Danone CEO Franck Riboud said in a statement.

Groupe Danone, is offering 55 euros (\$75) per share, which is a 44 per cent premium over the average share price over the last three months, according to a joint statement by the two companies.



PHOTO: STAR

Officials of Square Consumer Products Ltd yesterday launch a promotional programme styled 'Cholo Radhuni Ghor Sajai' to promote Radhuni, a powdered spices brand of the company.